

TEACHERS' RETIREMENT BOARD  
BENEFITS AND SERVICES COMMITTEE

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SUBJECT: Level of Service Standards

ITEM NUMBER: 3

ATTACHMENT: 1

ACTION:     

DATE OF MEETING: June 4, 2003

INFORMATION: X

PRESENTERS(S): Peggy Plett

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**EXECUTIVE SUMMARY**

The Level of Service report provides the Benefits and Services Committee with the necessary information to fulfill its oversight responsibility regarding the delivery of benefits and services to CalSTRS members. The following report is for the month of April 2003.

**Overview**

CalSTRS paid a total of 179,987 benefit recipients \$386,629,720 in April 2003. The average monthly allowance roll for FY 2002/03 is \$383,126,560. Total disbursements for FY 2002/03 are \$3,831,265,604.

**A. Service Levels:**

1. Service Retirements – Over the last six months, we have processed an average of 18% more applications over the same time period for the prior year. We continue to process 99% of all initial payments within 30 days and provide 99% of our retirees with their final retirement payments within 45 days of receipt of all required information. Our objective to finalize a minimum of 90% of payments within four month's of a member's retirement effective date reached 80% for members who retired in the month of December 2002.
2. Disability –Disability staff continues to process 100% of all eligible applications within 180 calendar days of receipt; with more than half of the total processed within 90 calendar days. In addition, staff achieved 100% of goal two (process at least 95% of approvals within 30 calendar days of receipt of last required document), with 89% of the approved applications processed within 10 calendar days. Of all approved cases, 100% of the initial payments of disability benefits were made within 5 calendar days of the approval, thereby reducing any financial hardship to our members. The increase in the number of applications received this fiscal year is holding steady at 15% over last year.

Disability Services had the pleasure of hosting a DITO (Disability Imaging Technology Opportunity) imaging demonstration for the new Correspondence Center. It provided staff a chance to meet their co-workers along with the opportunity to strut their stuff given their practical experience with working in an imaged environment. Staff has also been working with the Corporate Imaging staff to get our new e-process workflow solution up and running which should provide additional improvements to our process.

3. Survivor Benefits – The current working inventory of 1190 new pre-retirement and post retirement death cases has increased slightly from last month, due to an increase in new notifications of death. We have experienced a 24% increase in notifications of death during the April roll month. The number of cases completed in this roll month was 716. This is an increase of 164 from the previous roll month. The goal to complete these cases within 30 days of receipt of all necessary information is 95%. During the April roll month, the performance level reached 95%.

The number of cases pending in the over six month category pending documents for the month of March was 89. That is an increase of 4 cases from last month. This number will continue to fluctuate based on the volume of new notifications coming in and the amount of production hours worked. The amount of new notifications for April was up 123 from the March roll month. Cases in this category have been worked, but the caseworker is unable to get all the necessary documents as they are waiting on the beneficiaries to provide the needed documents.

#### 4. Call Center

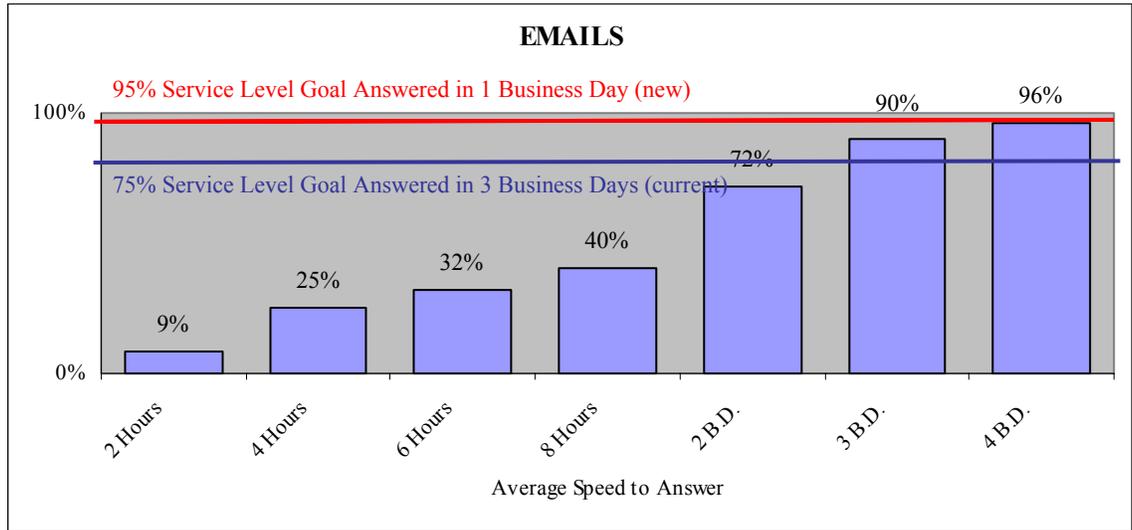
Service levels dropped in April due to a large influx of calls in the two weeks prior to the April 15<sup>th</sup> tax deadline.

- Calls answered within 1 minute: 51%
- Calls answered within 3 minutes: 75%
- Busy messages received: 11,690
- Calls abandoned in queue: 1,234
- Average speed to answer: 55 seconds

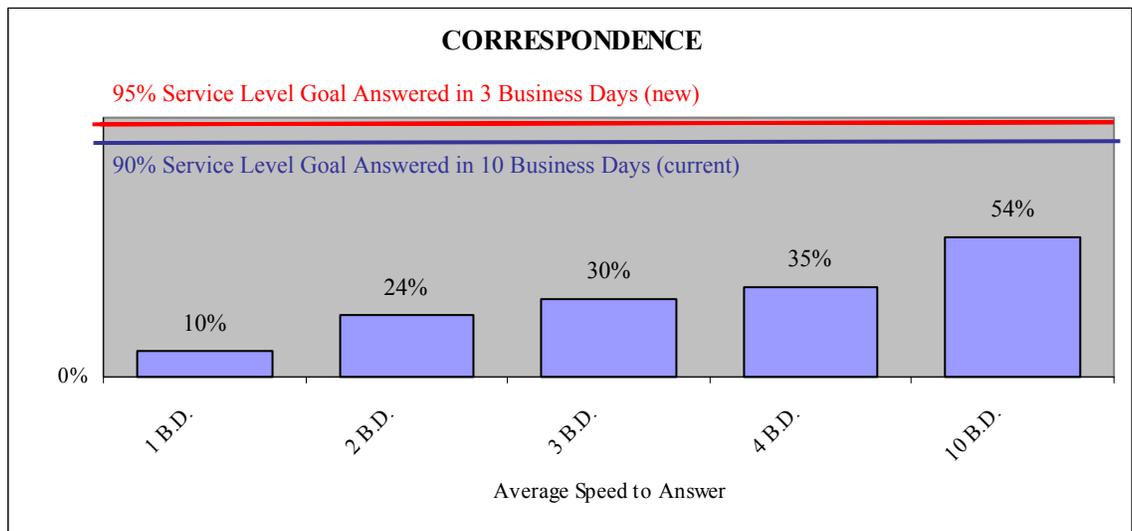
Ten full-time customer service representatives (CSR) will be hired in May including 3 existing part-time students, 6 new staff, and 1 returning CSR. The students and rehire will be available for calls in May; the 6 new staff will complete their training and be available for calls in early July. We are targeting mid July to fill the remaining 4 CSR positions. New staff, combined with the move to a 6-hour daily phone schedule on May 1, 2003, should allow us to significantly improve service levels over the next several months.

5. Correspondence Center

During its first month of operation, the Correspondence Center completed virtually all outstanding emails and correspondence transferred from the Call Center. For the 813 emails and 236 pieces of correspondence completed, response times were as follows:

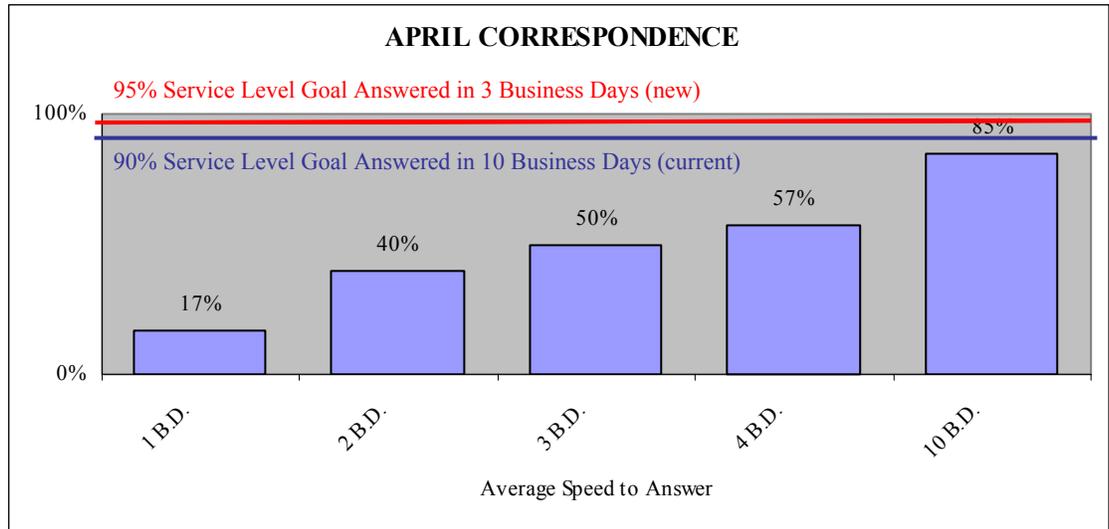


Average speed to answer: 1.25 business days



Average speed to answer: 25 business days

However, for only those correspondence received by CalSTRS in April, response times were:



Average speed to answer: 4 business days

With the backlogged inventory completed, these numbers better reflect the expected capabilities of the Correspondence Center on an ongoing basis.

The Correspondence Center began responsibility for customer service at CalSTRS' walk-in counter in mid May. As this function develops, we hope to provide expanded service to our members in this area. In addition, Correspondence Center staff are part of an effort to collect and maintain records of member email addresses. As time permits, Correspondence Center staff are also helping the Service Credit Support Center.

## 6. Service Credit Support Center

The Service Credit Support Center received 1,652 service credit purchase requests in April, the highest volume since August 2002, and 128% of the April 2002 volume (726). The inventory on April 30, 2003, was 996, reflecting approximately 2½ weeks' work. Less than 2% are older than 90 days.

Factors affecting members' interest in purchasing service credit include poor returns on other investments, increasing numbers of golden handshake offerings or layoffs, and the peak retirement season. Members making immediate retirement or golden handshake decisions are given priority.

Additional student hours during the summer months will help us maintain service levels until a more permanent staffing solution is in place.

## 7. Member Counseling and Educational Workshops

Member counseling. Members now can receive a personal counseling interview by meeting with a regional counselor in one of 24 offices throughout the state, or participate in an individual telephone counseling interview with CalSTRS headquarters staff hired for that purpose. Both types of interviews are an hour in length.

- Personal counseling interviews. During the month of April, 4,313 personal counseling interviews were conducted. This is an increase of 729 over the number of such interviews conducted in April 2002. Of the 24 regional counseling offices, 19 are currently scheduling personal counseling interviews for June. The offices in Alameda, Contra Costa, San Bernardino, Sonoma and Ventura are scheduling interviews for the month of July. Members are able to attend workshops or obtain a telephone counseling interview if a personal counseling interview is not readily available.
- Telephone counseling interviews. The telephone counseling staff completed four weeks of training on April 11, 2003. During their fifth week of training, staff completed 30 personal counseling interviews that were redirected from the Sacramento counseling office. Staff began conducting telephone counseling interviews on April 28, 2003, and completed twelve interviews by April 30, 2003. Telephone counseling appointments are available 6:30 a.m. to 6:00 p.m., Monday through Friday, and 8:00 a.m. to 12:00 p.m. on Saturdays. Interviews are conducted two weeks from the date of request, or sooner for members who need immediate assistance. Initial member response to the telephone counseling interview service has been very positive.

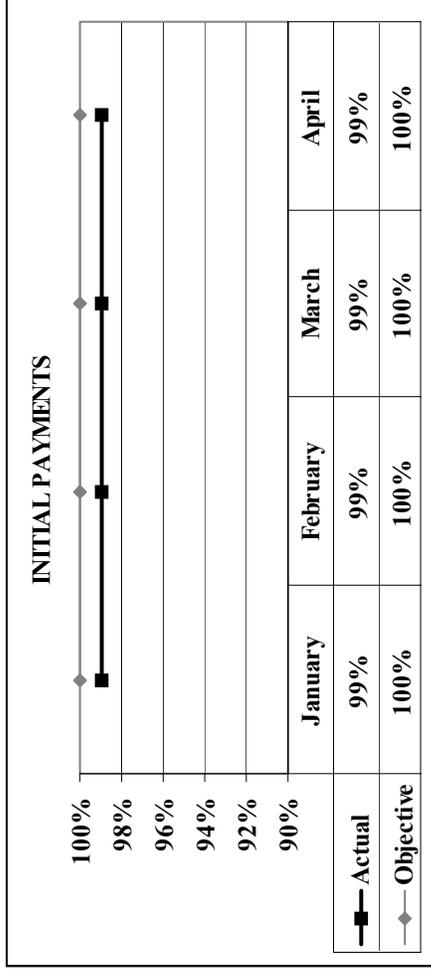
Member educational workshops. Two Large Group Benefit Overview workshops, which provide both an overview of CalSTRS benefits and a service retirement benefit estimate from CalSTRS, were conducted in April, with an attendance of 120. Nineteen “Group Appointment” workshops, which are three hour workshops that, in addition to providing an overview of CalSTRS benefits, also provide instruction on how to use the CalSTRS Web site to permit members to develop their own benefit estimates, were held in April with 320 attendees. Additionally, 1,228 persons attended 47 pre-retirement workshops, a 90 minute workshop that generally is provided on the school site and provides an overview on CalSTRS benefits and a service retirement estimate. Finally, two Financial Education Program workshops, which provide information to members on financial planning for retirement, were conducted in April, with 102 in attendance. Staff is working with County Administrators on contract negotiations for 2003/04.

# CaSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

## Service Retirements

**Objective** Process 100 percent of all service retirement application payments within 30 days of the retirement effective date or receipt of completed application, whichever is later.

**Application Volume Change** Increased 7 percent in comparison to same period last fiscal year.

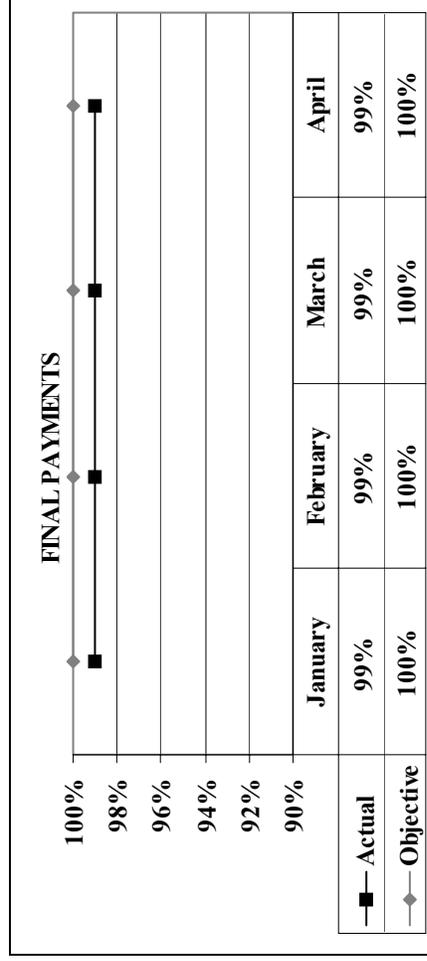


**Baseline** FY 2001/02 actual: 99 percent

Year to Date Average: 99%

**Objective** Process 100 percent of all final service retirement payments within 45 days of receipt of all necessary information.

**Interest Payments**  
April 2003: 7 payments/\$373  
Current Year Cumulative:  
65 payments/\$1143  
Current Year Monthly Average:  
7 payments/\$114  
Prior Year Monthly Average:  
14 payments/\$362



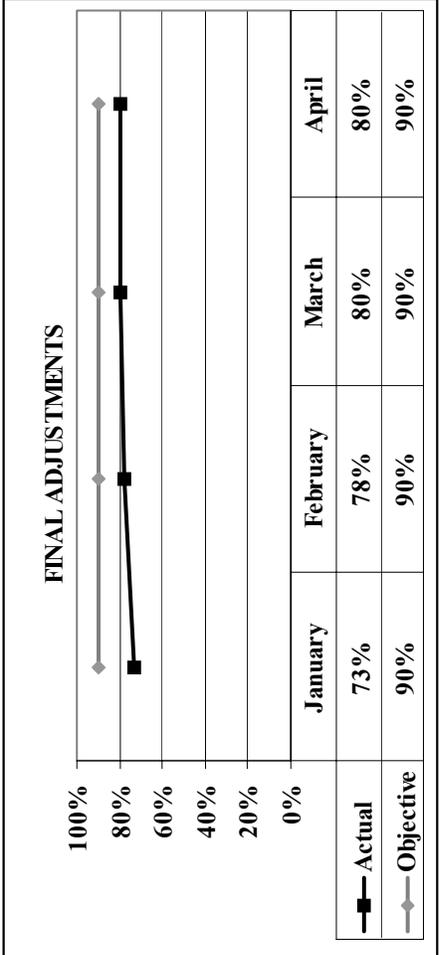
**Baseline** FY 2001/02 actual: 99 percent

Year to Date Average 99%

**CaSTRS PRODUCTION OBJECTIVES  
2002-2003 FISCAL YEAR**

**Service Retirements**

**Objective** Finalize at minimum 90 percent of service retirement payments within four months of retirement effective date.



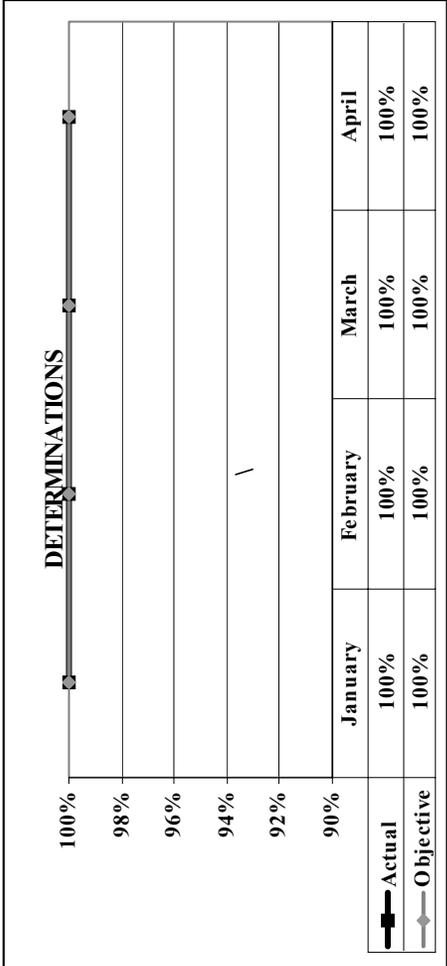
**Baseline** FY 2001/02 actual: 90 percent

**Year to Date Average:** 90%

**Disability**

**Objective** Process 100 percent of eligible applications within 180 days of receipt.

**Application Volume Change** Up 15 percent in comparison to same period last fiscal year.



**Baseline** FY 2001/02 actual: 99 percent

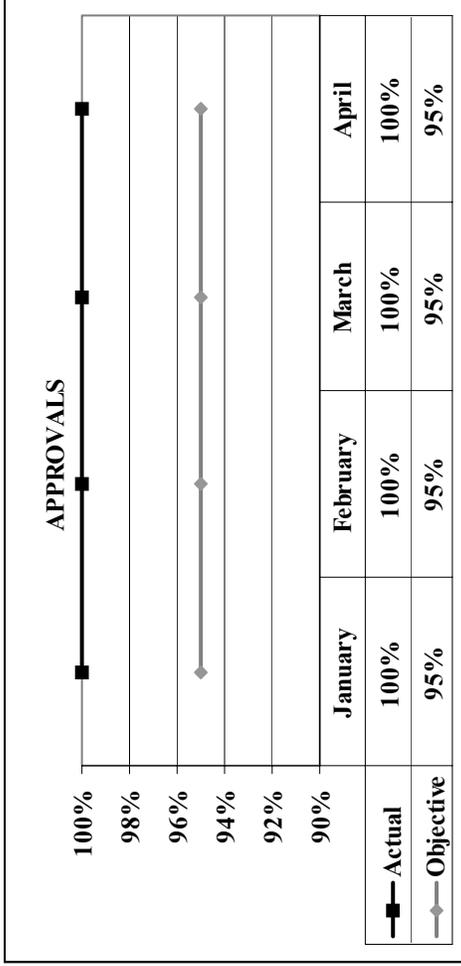
**Year to Date Average:** 99%

**CaSTRS PRODUCTION OBJECTIVES  
2002-2003 FISCAL YEAR**

**Disability**

**Objective** Process at minimum 95 percent of approvals within 30 days of last required document.

**Interest Payments**  
April 2003: 0 payments/\$0  
Current Year Cumulative:  
3 payments/\$1018  
Current Year Monthly Average:  
0 payment/\$509  
Prior Year Monthly Average:  
None



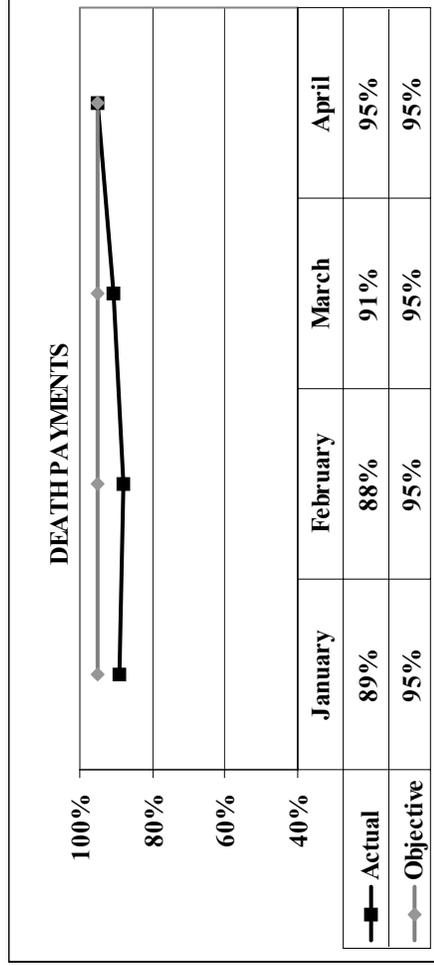
**Baseline** FY 2001/02 actual: 99 percent

**Year to Date Average:** 99%

**Survivor Benefits**

**Objective** Process at minimum 95 percent of applications within 30 days of receipt of all necessary information.

**Interest Payments**  
April 2003: 61 Payments/\$4,404  
Current Year Cumulative:  
838 payments/\$67,435  
Current Year Monthly Average:  
84 payments/\$6,744  
Prior Year Monthly Average:  
180 payments/\$11,879



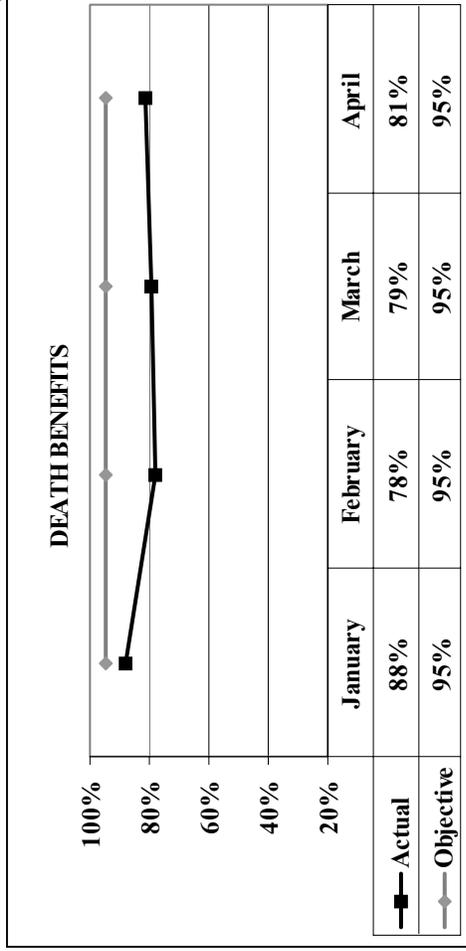
**Baseline** FY 2001/02 actual: 71 percent

**Year to Date Average:** 90%

**CaISTRS PRODUCTION OBJECTIVES  
2002-2003 FISCAL YEAR**

**Survivor Benefits**

**Objective** Complete at minimum 95 percent of death benefit payments for retired members within 90 days of receipt of notification of death.



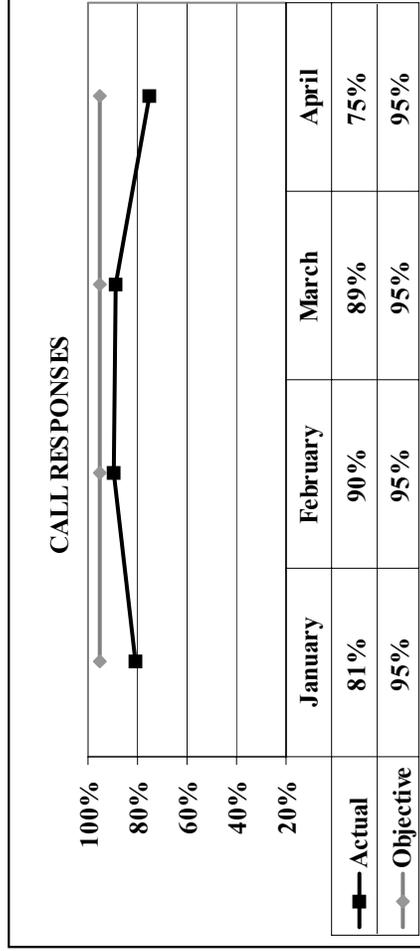
**Baseline** FY 2001/02 actual: 44 percent

**Year to Date Average:** 78%

**Public Service**

**Objective** Answer 95 percent of calls in less than three minutes.

**Volume Change** 28.42 percent increase



**Notes** Average queue time: 55 seconds  
Longest queue wait: 16 minutes

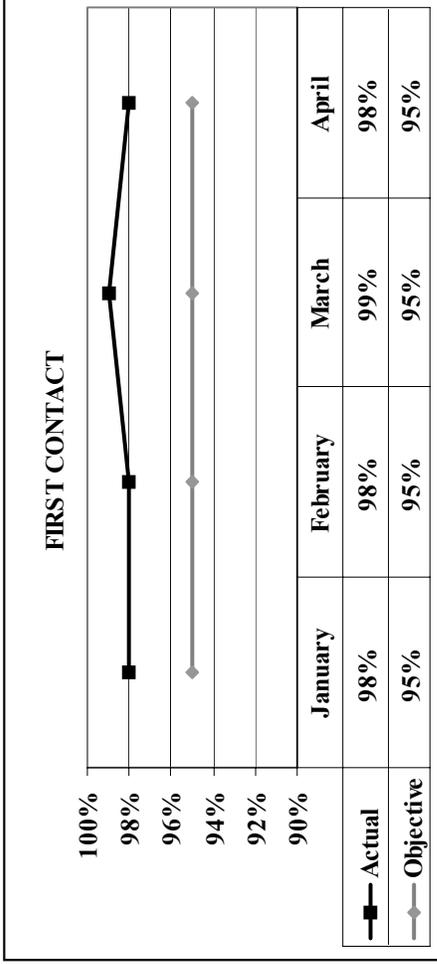
**Baseline** FY 2001/02 actual: 62 percent  
FY 1996/97 Objective:  
80 percent in less than three minutes.

**Year to Date Average:** 82%

**CaISTRS PRODUCTION OBJECTIVES  
2002-2003 FISCAL YEAR**

**Public Service**

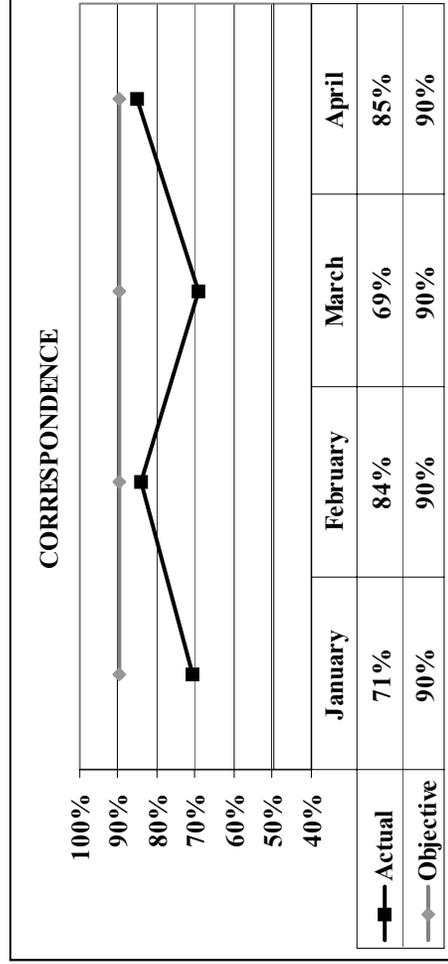
**Objective** Answer at minimum 95 percent of calls on the first contact.



**Baseline** FY 2001/02 actual: 98 percent

**Year to Date Average:** 98%

**Objective** Respond to at minimum 90 percent of correspondence in ten working days.

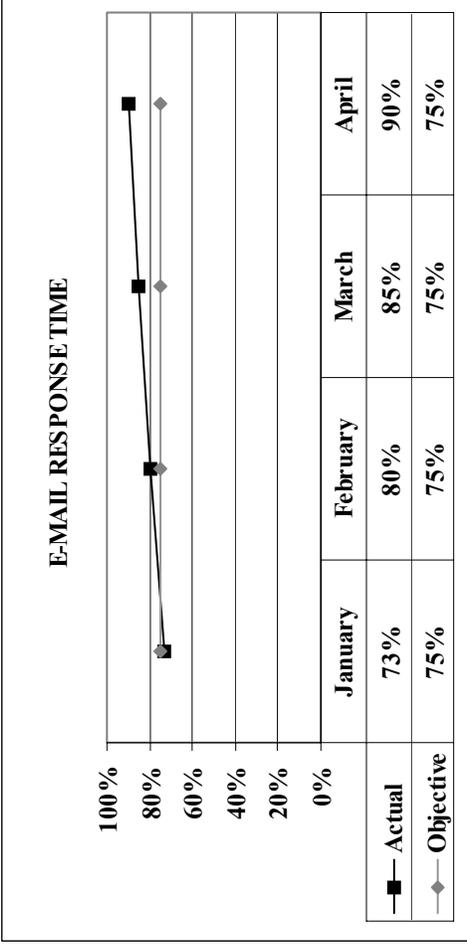


**Baseline** FY 2001/02 actual: 61 percent

**Year to Date Average:** 78%

### CaSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

**Objective** Respond to at minimum 75% of e-mails in three working days

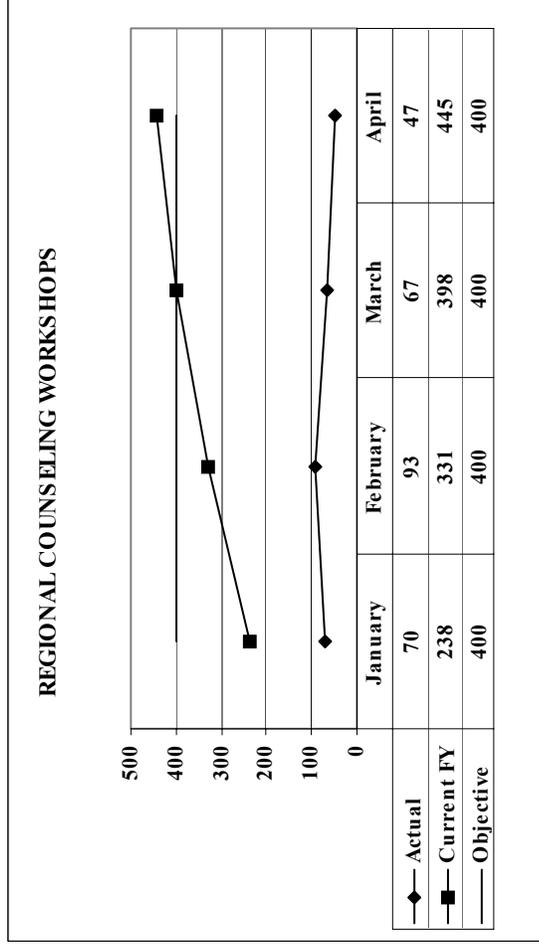


**Baseline** FY 2001/2002 actual: 41%

Year to Date Average: 67%

### Regional Counseling Services

**Objective** Conduct at minimum 400 workshops

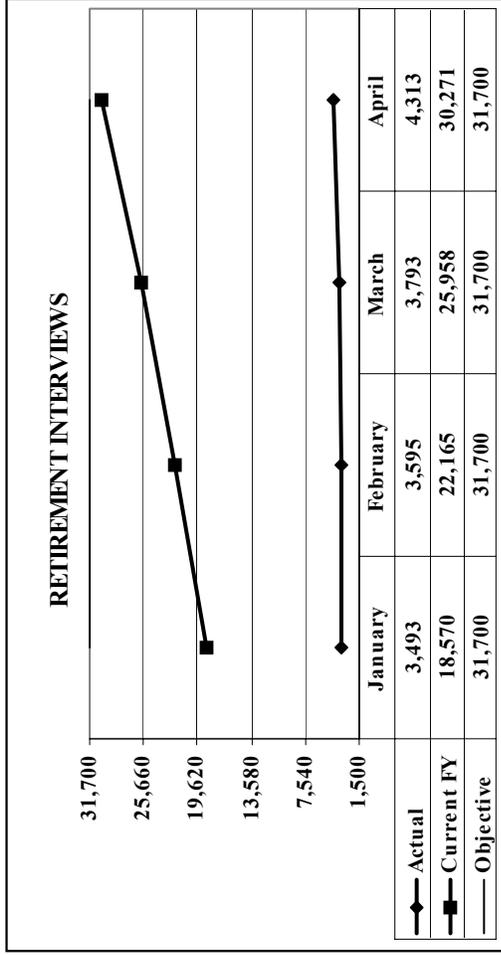


**Baseline** FY 2001/02 actual: 497

### CalSTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

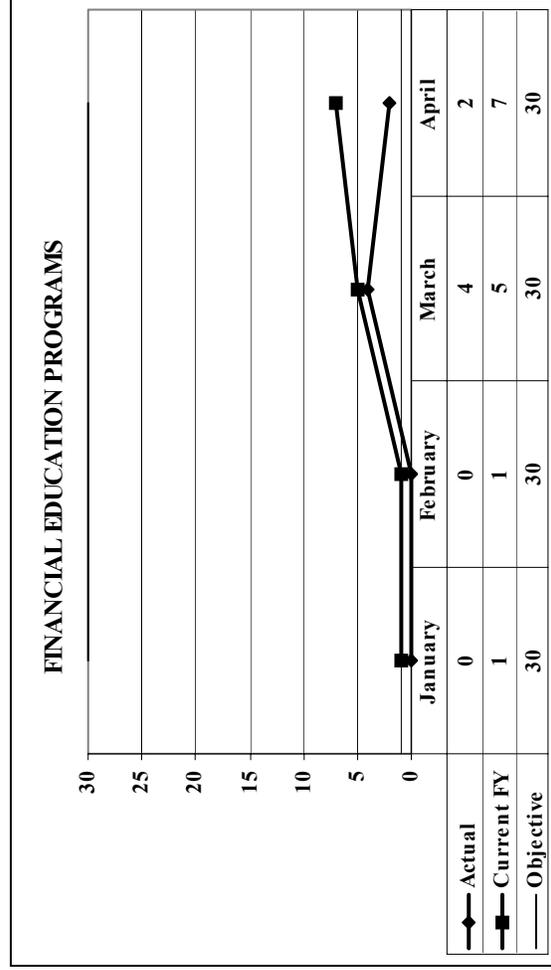
#### Regional Counseling Services

**Objective** Provide at minimum 31,700 retirement interviews.



**Baseline** FY 2001/02 actual: 31,477

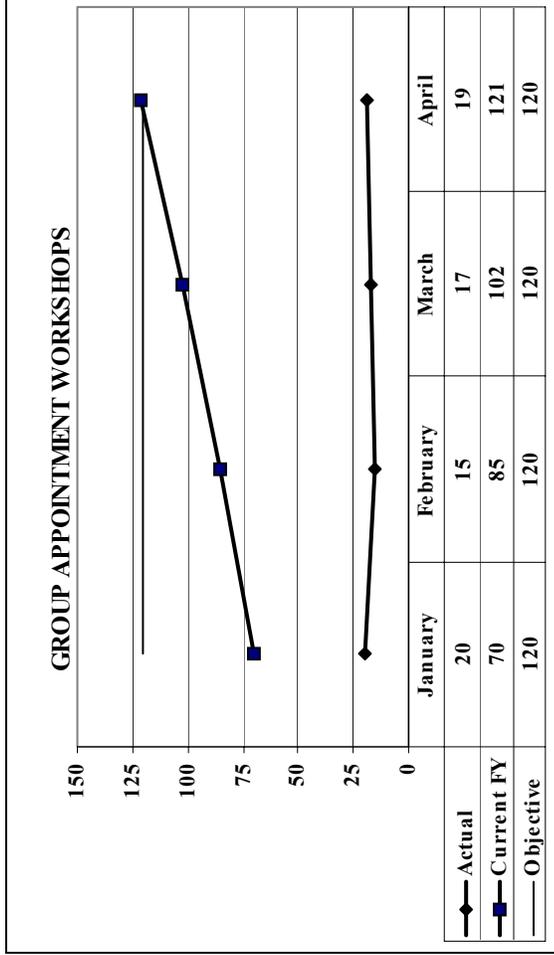
**Objective** Deliver at minimum 30 Financial Education Program workshops to CalSTRS members.



**Baseline** FY 2001/02 actual: 29

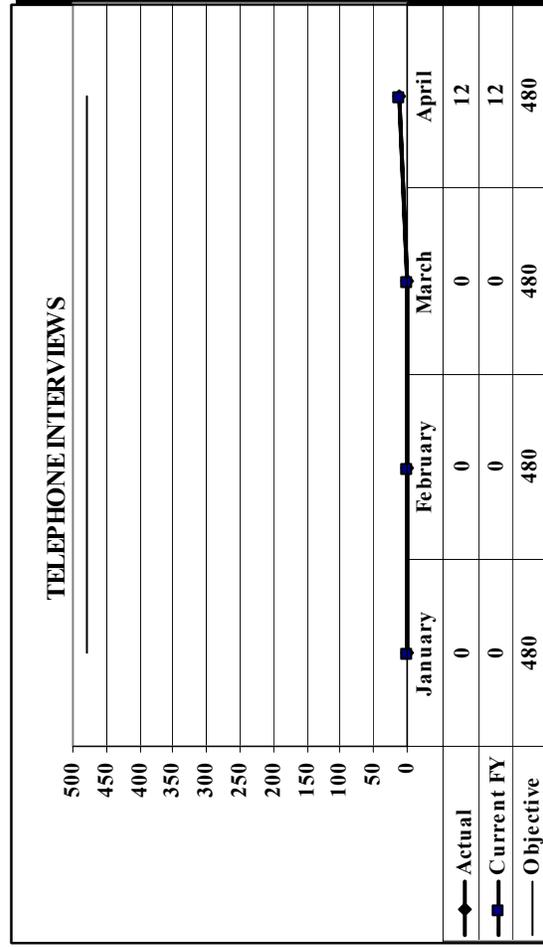
### CaISTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

**Objective** Deliver at minimum 120 Group Appointment Workshops.



**Baseline** FY 2001/02 Actual: 29

**Objective** Deliver at minimum 480 Telephone Interviews



**Baseline** New service beginning April 28, 2003

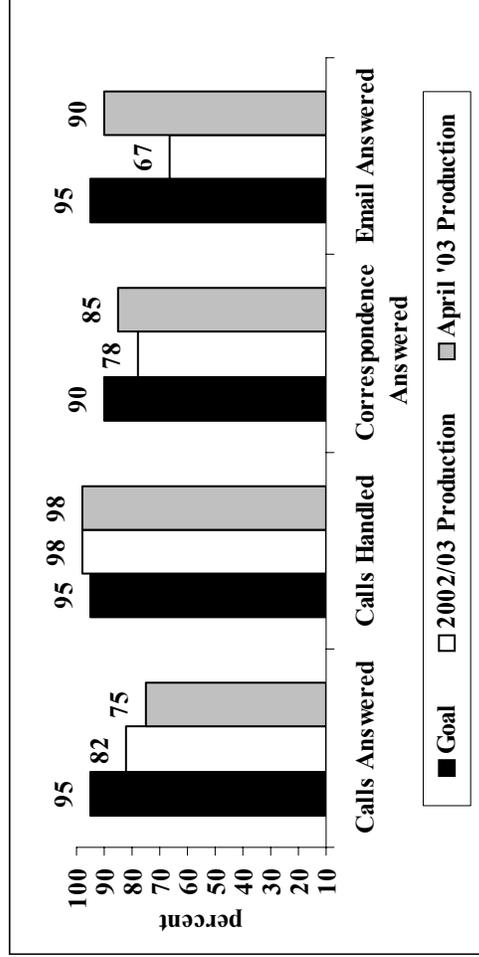
### CaISTRS PRODUCTION OBJECTIVES 2002-2003 FISCAL YEAR

#### III. Miscellaneous

##### A. Outstanding Survivor Benefit Cases:

The Education Code requires a report to the Board on outstanding Survivor Benefit cases not paid within six months of the notification of death. As of April there were 89 exceeding this threshold. In March, there were 85 cases beyond the six-month processing period, while in February there were 72 cases exceeding the six-month threshold.

##### B. Telephone Center:



**CaSTRS PRODUCTION OBJECTIVES  
2002-2003 FISCAL YEAR**

**C. Telephone Center: (continued)**

